

HIU KUAN HOE

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v.

SOCIETE DES PRODUITS NESTLE S.A.

COURT OF APPEAL, PUTRAJAYA
LOW HOP BING JCA
HISHAMUDIN MOHD YUNUS JCA
LINTON ALBERT JCA
[CIVIL APPEAL NO: W-02-3255-10]
27 MARCH 2012

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TRADE MARKS: *Registration - Opposition - Opposition on grounds of likelihood of confusion or deception - Whether mark proposed to be registered so nearly resembled existing trade mark as was likely to deceive or cause confusion - Whether doctrine of imperfect recollection properly applied - Whether applicant for registration discharged burden of proving mark would not likely deceive or confuse*

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The appellant had applied to the Registrar of Trade Marks ('the Registrar') to register himself as owner of the mark 'LotteNidoo' which he had been using since 2003 for Class 29 goods such as condensed sweetened milk, evaporated filled milk, full cream milk and powder and skimmed milk powder. The respondent was the registered owner of the mark 'Nido', also for the same class of goods, and had used the mark in Malaysia since 2002 for its milk, cheese and other products that used milk or milk substitutes as their base. The Registrar upheld the respondent's objection to the appellant's application for registration on the ground that the use of the two marks for the same class of goods would likely deceive or confuse the public into thinking goods bearing the two marks came from the same source. The doctrine of imperfect recollection was applied in favour of the respondent. The High Court, on appeal, concurred with the Registrar's decision. The appellant thus appealed to the Court of Appeal.

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Held (allowing the appeal with costs)

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Per Linton Albert JCA (Hishamudin Mohd Yunus JCA concurring) delivering judgment of the majority:

- (1) Similarities between the appellant's mark and the respondent's pre-existing trade mark did not necessarily mean they were likely to deceive or cause confusion. The only similarity was

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- A patently tenuous in that it merely consisted of the transposition of the respondent's mark 'Nido' to six other alphabets to form 'LotteNidoo'. (para 4)
- B (2) It was inconceivable that simply because 'Nido' had been transposed to form 'LotteNidoo' it was likely to deceive or cause confusion. The High Court was wrong to have magnified the prominence of 'Nido' in isolation while at the same time totally disregarding the other alphabets which made up 'LotteNidoo'. There was a misapplication of the facts on the part of the High Court. (para 4)
- C (3) The doctrine of imperfect recollection was misapplied when 'LotteNidoo' was equated with 'Nido' simply on the possibility some consumers who had a recollection of 'Nido' might be so deceived or confused as to accept 'LotteNidoo' as one and the same. That was stretching the doctrine to its illogical limits. (para 4)
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Per Low Hop Bing JCA (dissenting):

- E (1) LotteNidoo resembled Nido and was likely to deceive or cause confusion as LotteNidoo incorporated and adopted the essential or distinguishing feature of Nido. (para 23)
- F (2) The word Lotte, which meant "little", was indicative of and referred to babies and little children who were the consumers targeted by both the appellant's and the respondent's goods. The word Lotte had little inherent distinctiveness when used for the appellant's goods. There was no evidence to show the appellant had acquired distinctiveness or reputation in and to the word Lotte for his goods at the date of filing of the application. Accordingly, the part of the appellant's mark which was inherently distinctive was the word Nidoo which was almost identical to and a close copy of the respondent's Nido. (paras 32 & 33).
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- H (3) The recollection carried away and retained of the respondent's mark and goods would be Nido. A consumer seeing or coming across LotteNidoo and Nido would, or would likely believe, mistakenly, that the two marks were the same or were somehow associated or connected. (para 28)
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- (4) The appellant had not discharged the burden and had not shown affirmatively that the use of LotteNidoo in relation to his goods was not likely to deceive or cause confusion. The Registrar had not “gone clearly wrong” in his decision. Hence, the High Court had correctly refrained from interfering with the Registrar’s decision to refuse the registration. (paras 34 & 39)

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Bahasa Malaysia Translation Of Headnotes

Perayu telah memohon kepada Pendaftar Cap Dagang (‘Pendaftar’) bagi mendaftarkan dirinya sebagai pemilik cap ‘LotteNidoo’ yang digunakan oleh beliau sejak tahun 2003 bagi barangan Kelas 29 seperti susu pekat manis, susu sejat cair, susu cair dan susu tepung penuh serta susu tanpa lemak. Responden adalah pemilik kepada cap ‘Nido’, juga bagi kelas barangan yang sama, dan telah menggunakan cap tersebut di Malaysia sejak tahun 2002 bagi barangannya seperti susu, keju dan produk-produk lain yang menggunakan susu sebagai bahan asasnya. Pendaftar telah membenarkan bantahan responden terhadap permohonan perayu untuk cap dagang di sini, atas alasan bahawa penggunaan kedua-dua cap dagang bagi kelas barangan yang sama boleh memperdaya atau mengelirukan orang awam yang mungkin beranggapan bahawa kedua-dua barangan tersebut datangnya dari sumber yang sama. Doktrin ingatan tak sempurna telah digunapakai untuk manfaat responden. Di rayuan, Mahkamah Tinggi telah bersetuju dengan Pendaftar, dan berikutnya perayu merayu ke Mahkamah Rayuan.

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Diputuskan (membenarkan rayuan dengan kos)

Oleh Linton Albert HMR (Hishamudin Mohd Yunus HMR menyetujui) menyampaikan penghakiman majoriti:

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- (1) Persamaan antara cap perayu dengan cap terdahulu responden tidak semestinya bermakna cap-cap tersebut akan memperdaya atau menyebabkan kekeliruan. Satu-satunya persamaan yang wujud adalah amat sedikit iaitu bahawa ia hanya mengandungi transposisi cap ‘Nido’ responden kepada enam abjad lain bagi membentuk ‘LotteNidoo’.
- (2) Adalah tidak dapat dibayangkan bahawa cuma kerana ‘Nido’ telah ditransposisi bagi membentuk ‘LotteNidoo’ maka ianya akan memperdaya atau mengelirukan. Mahkamah Tinggi khilaf kerana memperbesar-besarkan kepentingan ‘Nido’ secara

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- A bersendirian sementara tidak mengendahkan langsung abjad-abjad lain yang membentuk 'LotteNidoo'. Terdapat salah laksana fakta di pihak Mahkamah Tinggi di sini.
- (3) Doktrin ingatan tak sempurna telah disalahlaksana bilamana 'LotteNidoo' disamakan dengan 'Nido' semata-mata berdasarkan kemungkinan bahawa sebahagian dari pengguna yang mengingati 'Nido' akan terpedaya atau terkeliru sehingga menerima 'LotteNido' sebagai sama dan serupa dengan 'Nido'. Pemakaian doktrin telah ditarik hingga ke hadnya yang tidak masuk akal.
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Oleh Low Hop Bing JCA (menentang):

- (1) LotteNidoo menyerupai Nido dan mungkin akan memperdaya atau menyebabkan kekeliruan kerana LotteNidoo merangkumi dan memakai ciri-ciri penting Nido.
- (2) Perkataan Lotte, yang bermaksud "kecil", menunjuk dan merujuk kepada bayi dan kanak-kanak yang merupakan pengguna yang disasar oleh kedua-dua barangan perayu dan responden. Perkataan Lotte tidak mempunyai perbezaan ketara apabila digunakan kepada barangan perayu. Tiada keterangan yang menunjukkan perayu telah memperoleh distinctiveness atau reputasi dalam atau terhadap perkataan Lotte untuk barangannya pada waktu permohonan difailkan. Oleh itu, cap perayu yang dikatakan 'inherently distinctive' adalah perkataan Nidoo yang hampir menyerupai dan seakan-akan menyalin perkataan Nido responden.
- (3) Ingatan yang dibawa dan terpahat mengenai cap dan barangan responden adalah Nido. Seseorang pengguna yang melihat atau ternampak LotteNidoo dan Nido akan, atau mungkin akan mempercayai, walaupun silap, bahawa kedua-dua cap adalah sama atau berkaitan antara satu sama lain.
- (4) Perayu gagal menyempurnakan bebannya dan gagal menunjukkan secara afirmatif bahawa penggunaan LotteNidoo berkaitan barangannya tidak berkemungkinan menyebabkan keperdayaan atau kekeliruan. Pendaftar tidak "melakukan kesilapan" dalam keputusannya. Oleh itu, Mahkamah Tinggi adalah betul bilamana enggan mengganggu keputusan Pendaftar menolak pendaftaran.
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Case(s) referred to:

Australian Woollen Mills Ltd v. FS Walton & Co Ltd [1937] 58 CLR 641 (refd) A

Bali TM [1969] RPC 472 (refd)

Banham v Reddaway [1927] AC 406 (refd)

Bata Ltd v. Sim Ah Ba & Ors [2006] 3 CLJ 393 CA (refd) B

De Cordova v. Vick Chemical Company [1951] 68 RPC 103 (refd)

James Crossley Eno v. William George Dunn [1890] 15 App Cases 252 (refd)

Jellinek's Application [1946] 63 RPC 59 (refd)

Pianotist Co's Application [1906] 23 RPC 774 (refd)

Re Lovens Kemiske Fabrik Ved A Konsted's Application for Registration of Trade Mark "Leocillin" [1953] 1 LNS 84 (refd) C

Solavoid Trade Mark [1977] RPC 1 (refd)

Tiga Gajah Cho Heng Sdn Bhd v. Majuperak Tepung Beras Sdn Bhd [1997] 1 CLJ Supp 52 HC (refd)

Legislation referred to:

Trade Marks Act 1976, ss. 14(1)(a), 19(1)(a), (b), 25(1), (3) D

Other source(s) referred to:

Kerly's Law of Trade Marks and Trade Names, 1986, 12th edn, p 439

MyIPO Manual of Trade Marks Law & Practice in Malaysia, 2nd edn, 2003, Chapter 24, paras 8.65, 11.7, 24.46. E

For the appellant - Ambiga Sreenevasan (Janini Rajeswaran & A K Ng with her); M/s Sreenevasan

For the respondent - Linda Wang (Tepee Phuah with her); M/s Tay & Partners

[Appeal from High Court, Kuala Lumpur; Originating Motions No: D-25(IP)-4-2010] F

Reported by Ashok Kumar

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JUDGMENT

Linton Albert JCA:

[1] The appellant had applied to the Registrar of Trade Marks, Malaysia 'the Registrar' to register "LotteNidoo" as a trade mark. The respondent, as proprietor of the trade mark "Nido" had opposed the appellant's application. The Registrar refused the appellant's application and the ensuing appeal to the High Court was also dismissed. The learned High Court Judge had agreed H

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A with the Registrar's refusal to register the appellant's trade mark pursuant to ss. 14(1)(a), 19(1) and 25(1) of the Trade Marks Act 1976 'the Act'.

[2] The refusal to register the appellant's application was grounded on the salient features surrounding "LotteNidoo" and "Nido" which were these. They both refer to goods of the same description which was milk and milk based products for human consumption and targeted at the same class of consumers. The respondent had used its "Nido" trade mark in Malaysia since 2002, which was much earlier than the appellant's use of "LotteNidoo". The doctrine of imperfect recollection operated against the appellant because consumers could possibly fail to differentiate between "LotteNidoo" and "Nido" and thus likely to cause confusion. This was because the respondent's trade mark "Nido" was wholly transposed into "LotteNidoo" thus giving rise to the possibility that consumers may be deceived into equating "Nido" with "LotteNido". Having set out the circumstances as aforesaid, the learned High Court Judge made a finding that the appellant's application had fallen foul of ss. 19 and 14 of the Act and that the Registrar had rightly refused the appellant's application pursuant to s. 25(3) of the Act.

[3] The relevant provisions of the Act pursuant to which the appellant's application was refused are these:

F **Section 14:**

(1) A mark or part of a mark shall not be registered as a trade mark -

G (a) If the use of which is likely to deceive or cause confusion to the public or would be contrary to law;

and

Section 19:

H (1) No trade mark shall be registered in respect of any goods or description of goods -

(a) ...

I (b) that so nearly resembles such a trade mark as is likely to deceive or cause confusion.

Section 25:

- (3) Subject to the provisions of this Act, the Register may refuse the application or may accept it absolutely or subject to such conditions, amendments, modifications or limitations, if any, as he may think right to impose.

[4] Similarities between the appellant's trade mark and the respondent's pre-existing trade mark do not necessarily mean that they are likely to deceive or cause confusion. In the instant appeal, the only similarity is patently tenuous in that it merely consists of the transposition of the respondent's trade mark "Nido" to six other alphabets to form "LotteNidoo" which the appellant unsuccessfully applied to register. It is inconceivable, in our view, that simply because "Nido" has been transposed to form "LotteNidoo" it is likely to deceive or cause confusion. The learned High Court Judge was clearly wrong to magnify the prominence of "Nido" in isolation while at the same time totally disregarding the other alphabets which make up "LotteNidoo". There was, therefore, a misapplication of the facts on the part of the learned High Court Judge. It also follows that the doctrine of imperfect recollection was misapplied when "LotteNido" was equated with "Nido" simply on the possibility that some consumers who have a recollection of "Nido" may be so deceived or confused to accept "LotteNidoo" as one and the same. That would constitute stretching the doctrine to its illogical limits.

[5] In the circumstances and for the reasons aforesaid, the learned High Court Judge was clearly wrong in upholding the decision of the Registrar in refusing to register the appellant's trade mark. We therefore, allowed the appeal with costs.

Low Hop Bing JCA (dissenting):**Appeal**

[6] The Assistant Registrar of Trade Marks ("the Registrar") had allowed the respondent's opposition to the registration of the appellant's trade mark application no. 03006696 in class 29 ("the Application").

[7] Subsequently, the Kuala Lumpur High Court dismissed the appellant's appeal and affirmed the Registrar's decision.

- A [8] This is the appellant's appeal against the decision of the High Court.

Factual Background

- B [9] Respondent is the registered proprietor of the trade mark Nido (Nido) under registration no. 02013983 for goods in class 29 including, amongst others, milk, cheese and other food preparations having a base of milk and milk substitutes ("Respondent's Goods"). The respondent and its associated companies are the first and prior users of Nido in Malaysia since 2002, and outside Malaysia since 1939.

- D [10] On or about 5 June 2003, appellant filed the application to the register the trade mark LotteNidoo (LotteNidoo) for condensed sweetened milk; evaporated filled milk; full cream milk and powder; and skim milk powder ("Appellant's Goods"). The appellant's use and adoption of LotteNidoo was in 2003.

[11] On 20 January 2006, the respondent filed an opposition to the application ("the Opposition").

- E [12] On 2 June 2010, the Registrar allowed the Opposition with costs.

- F [13] On 21 October 2010, the Kuala Lumpur High Court dismissed with costs appellant's appeal and affirmed the Registrar's decision.

[14] The appellant now appeals against the High Court decision.

Burden Of Proof

- G [15] The appellant, being the applicant for registration, bears the burden of proving that the registration is not likely to deceive or cause confusion to the general public: *Re Lovens Kemiske Fabrik Ved A Konsted's Application for Registration of Trade Mark "Leocillin"* [1953] 1 LNS 84; [1953] 19 MLJ 215, 216 per Harrison, Registrar of Trade Marks, applying *James Crossley Eno v. William George Dunn* [1890] 15 App Cases 252, 257 HL per Lord Watson. In other words, the respondent (the opponent alleging that the applicant's mark bears a deceptive resemblance to his own) does not have to prove that the public would be confused

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or deceived thereby: *MyIPO Manual of Trade Marks Law & Practice in Malaysia*, 2nd edn. 2003 (“*The Trade Marks Manual*”) Chapter 24, para 24.46. A

[16] In the context of this appeal, the appellant has to establish that the registration of LotteNidoo does not contravene s. 14(1)(a) ie, there is no likelihood of confusion or deception; or the use of LotteNidoo will not cause a number of persons to wonder whether Respondent’s Goods and Appellant’s Goods came from the same source. Should the Registrar have any doubts, the appellant has to dispel them. Where the appellant has not discharged the legal onus placed on him, the application must be refused: *The Trade Marks Manual* para 8.65. B C

Lottenidoo And Nido

[17] In the instant appeal, two trade marks *viz* (1) appellant’s LotteNidoo and (2) respondent’s Nido require consideration. D

[18] Section 19(1) of the Trade Marks Act 1976 provides as follows:

19. Identical trade marks E

(1) No trade mark shall be registered in respect of any goods or description of goods –

(a) that is identical with a **trade mark belonging to a different proprietor and entered in the Register in respect of the same goods or description of goods** or in respect of services that are closely related to those goods; or F

(b) that so nearly resembles **such a trade mark** as is likely to deceive or cause confusion. (emphasis added) G

(A reference hereinafter to a section is a reference to that section in the Trade Marks Act 1976)

[19] The words “such a trade mark” in s. 19(1)(b) must be read in the context of s. 19(1)(a) and refer to the “trade mark belonging to a different proprietor and entered in the register in respect of the same goods or description of goods”. H

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- A [20] Section 19(1) prohibits the registration of a trade mark that is either identical with a trade mark belonging to a different proprietor, or so closely resembles it as to be likely to deceive or cause confusion, where that other trade mark is entered in the register in respect of goods or services of the same description or
- B services that are closely related to those goods as those of the application to register: *The Trade Marks Manual*, Chapter 11 under the caption “The Search for Prior Rights”.

- C [21] In the instant appeal, registration of LotteNidoo will not be allowed if:

- (1) LotteNidoo is identical with Nido or so nearly resembling Nido as is likely to deceive or cause confusion; and
- D (2) Appellant’s Goods are the same goods or the same description of goods as Respondent’s Goods.

Test Of Resemblance

- E [22] In *Pianotist Co’s Application* [1906] 23 RPC 774, 777 Parker J crystallised the test of resemblance as follows:

- F You must take the two words. You must judge of them, both by their look and by their sound. You must consider the goods to which they are to be applied. You must consider the nature and kind of customer who would be likely to buy those goods. In fact, you must consider all the surrounding circumstances; and you must further consider what is likely to happen if each of those trade marks is used in the normal way as a trade mark for the goods of the respective owners of the marks. If, considering all those circumstances, you come to the conclusion that there will be a confusion – that is to say, not necessarily that one man will be injured and the other will gain illicit benefit, but that there will be a confusion in the mind of the public which will lead to confusion in the goods – then you may refuse the registration, or rather you must refuse the registration in that case.
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- H [23] In my view, LotteNidoo resembles Nido and is likely to deceive or cause confusion as LotteNidoo incorporates and adopts the essential or distinguishing feature of Nido: *The Trade Mark Manual*, Chapter 11, para 11.10

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[24] In deciding that LotteNidoo has similarity with Nido and is likely to deceive or cause confusion, I take the following elements into account: A

(1) the idea of the mark;

(2) the elements of the mark taken as a whole; B

(3) imperfect recollection;

(4) ear as well as eye; and

(5) variations which might well be supposed to be made by owners. C

(*Kerly's Law of Trade Marks and Trade Names* (12th edn. 1986) at p. 439 and applied by Kamalanathan Ratnam JC (later J) in *Tiga Gajah Cho Heng Sdn Bhd v. Majuperak Tepung Beras Sdn Bhd* [1997] 1 CLJ Supp 52; [1997] 4 MLJ 504, 527 HC). D

[25] LotteNidoo is remembered by general impressions or by some significant detail rather than by any photographic recollection of the whole: per Lord Radcliffe in *De Cordova v. Vick Chemical Company* [1951] 68 RPC 103, 106 PC, and referred to in *Tiga Gajah, supra*, at p. 529. This brings into focus the doctrine of imperfect recollection of customers. E

[26] *The Trade Mark Manual*, Chapter 11, para 11.7 illustrates "Imperfect Reflections" as follows: F

Imperfect Recollection

11.7 Consumers who know two trade marks are not likely to confuse them. It is the ordinary consumer with an ordinary memory, who pays ordinary attention to the details of any trade marks, who knows only one of the marks who is likely to be deceived or confused. Consumers do not recall or remember every detail of the trade marks they know. Consequently they may confuse a similar mark with the one they know even if there are minor differences between them. The principle is known in case law as the doctrine of imperfect recollection and applies equally to word, device and composite marks. Luxmoore, LJ discussed this doctrine in *Aristoc v. Rysta* [1943] 60 RPC at page 108. He said: G

The answer to the question of whether the sound of one word resembles too nearly the sound of another ... must nearly always depend on the first impression, for obviously a person who is familiar with both words will neither be deceived nor confused. It I

- A is the person who only knows the one word, and has perhaps an imperfect recollection of it who is likely to be deceived. Little assistance therefore is to be obtained from a meticulous comparison of the two words, letter-by-letter and syllable-by-syllable, pronounced with the clarity to be expected from a teacher of elocution. The Court must be careful to make allowance for
- B imperfect recollection and the effect of careless pronunciation and speech on the part not only of the person seeking to buy under the trade description but also of the shop assistant ministering to that person's wants.
- C [27] The High Court of Australia has to determine if a mark is so nearly resembling another as is likely to deceive or cause confusion in *Australian Woollen Mills Ltd v. FS Walton & Co Ltd* [1937] 58 CLR 641 at p 658, the majority judgment explained that it is a question of fact for the court to decide whether there
- D is such a reasonable probability of deception or confusion that the use of the new trade mark and title should be restrained. The judgment contained the following passage:

- E In deciding this question, the marks should not, of course be compared side by side. An attempt should be made to estimate the effect or impression produced on the mind of the potential customers by the mark or device for which the protection of an injunction is sought. Imperfect impression or recollection which is carried away and retained is necessarily the basis for any mistaken belief that the challenged mark or device is the same. The effect
- F of spoken description must be considered. If a mark is in fact or from its nature likely to be the source of some name or verbal description by which buyers will express their desire to have the goods, the similarities both of sound and of meaning may play an important part. The usual manner in which ordinary people behave must be the test of what confusion or deception may be expected.
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(See also *Tiga Gajah, supra*, and *De Cordova, supra*, PC).

- H [28] Customers' imperfect recollection brings about their inability to recall or remember every detail of the trade marks they know. Consequently, they may confuse or fail to differentiate LotteNidoo with the one they know even if there is minor and insignificant disparity among them. In the instant appeal, the leading and essential element and characteristic of the respondent's mark is Nido. The recollection carried away and retained of respondent's

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mark (and goods) will be Nido. A consumer will be left to wonder or wrongly suppose that appellant's and Respondent's Goods come from the same source or are connected or associated or that Appellant's Goods are a variation or extension of the Respondent's Goods. Similarly, such a consumer seeing or coming across LotteNidoo and Nido will or will likely believe, mistakenly, that the two marks are the same or somehow associated or connected, as is likely to deceive or cause confusion to customers: s. 19(1).

[29] By way of illustration, under s. 19(1)(b), LotteNidoo is prohibited from registration on the following grounds:

- (1) Nido carries away and retains the Nido recollection as the respondent's mark and goods. A consumer seeing or coming across LotteNidoo will or will likely believe, mistakenly, that the marks and goods are the same or somehow connected or related to Nido.
- (2) Nido is not of a readily known meaning. It has a high level of inherent distinctiveness. It is easily and readily remembered when seen or heard by members of the trade and public. When they come across LotteNidoo which wholly adopts and incorporates Nido, it is very probable and likely that LotteNidoo and Nido would mistakenly be supposed or believed to be the same or to be related or connected or to be a variation or extension of the other, especially when Nido and Nidoo look and sound almost identical;
- (3) Registration of LotteNidoo creates a *carte blanche* for the appellant to give greater emphasis and prominence to the word Nidoo and serves to reinforce the mistaken belief that Appellant's Goods and Respondent's Goods are the same or somehow related or connected by reason of a consumer having recollection carried away and retained of Nido; and
- (4) A consumer, though noticing the additional word Lotte nevertheless having the recollection carried away and retained of Nido, might well suppose that the word Lotte is a variation or extension added to Nido.

[30] The Registrar and the learned judge had made concurrent findings that LotteNidoo so nearly resembles Nido as is likely to deceive or confuse, and that appellant has also not discharged the

A burden of proving that such deception or confusion is unlikely. In the instant appeal, I must consider not only the visual and phonetic differences between LotteNidoo and Nido but also all the relevant surrounding circumstances, by applying Romer J's dictum in *Jellinek's Application* [1946] 63 RPC 59, 70, more specifically the following factors:

- B (a) the nature and composition of the goods;
- (b) the respective uses or purposes of the goods; and
- C (c) trade channels through which the goods are respectively bought or sold.

[31] Section 14(1)(a) disallows the registration of a mark or part of a mark as a trade mark if the use thereof is likely to deceive or cause confusion to the public or would be contrary to law.

D Section 14(1)(a) is intended to protect the public and applies where the use of the opposed mark would likely deceive or cause confusion to the public. An equipollent provision is to be found in s. 11 of the (UK) Trade Marks Act 1938. In *Bali TM* [1969] RPC 472 at 495 HL, Lord Upjohn held that s. 11 was designed not so much for the protection of other traders in the use of their marks or their reputation but for the protection of the public.

[32] The only difference between the two marks is the additional word Lotte in LotteNidoo. The root word for Lotte is the French word *Charlotte*. The internet meaning of Lotte is little, womanly. The word Lotte has little inherent distinctiveness when used for the Appellant's Goods which are milk products and milk powder targeted and largely consumed by babies and little children. The word Lotte, which also means "little" is indicative of and refers to the little babies and children, who are the consumers targeted by both Appellant's LotteNidoo Goods and Respondent's Goods.

[33] There is no evidence to show that appellant has acquired the distinctiveness or reputation in and to the word Lotte for the Appellant's Goods as at the filing date of the application. Accordingly, the part of appellant's mark which is inherently distinctive is the word Nidoo. Nidoo in turn is almost identical to and a close copy of respondent's Nido.

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[34] I fully agree with the Registrar and the High Court that the appellant has not discharged the burden and has not shown affirmatively that use of LotteNidoo in relation to the Appellant's Goods is not likely to deceive or cause confusion. It is therefore highly likely that members of the public will wonder or be caused to wonder if the Appellant's Goods bearing LotteNidoo and the Respondent's Goods bearing Nido share the same source of origin or if the Appellant's Goods are somehow related or connected or are an extension or variation of Respondent's Goods.

[35] There is a need to protect the public from possible deception or confusion arising from the appellant's use of LotteNidoo including any likelihood of deception or confusion in the future arising from such use.

[36] The learned judge was correct in finding that the appellant's use of LotteNidoo would likely deceive or cause confusion to the public and registration prohibited by s. 14(1)(a).

[37] The Appellant's use of LotteNidoo would also infringe the respondent's registered trade mark rights, being in contravention of the second limb of s. 14(1)(a) read with s. 38(1) which reads:

38. Infringement of a trade mark

(1) A registered trade mark is infringed by a person who, not being the registered proprietor of the trade mark or registered user of the trade mark using by way of permitted use, uses a mark which is identical with it or so nearly resembling it as is likely to deceive or cause confusion in the course of trade in relation to goods or services in respect of which the trade mark is registered in such a manner as to render the use of the mark likely to be taken as being use as a trade mark.

Giving Due Weight To The Decision Of The Registrar And The High Court

[38] The Registrar's decision to allow the Opposition had been made after hearing evidence, taking into account the respondent's mark. His decision entitled to substantial weight: *Solavoid Trade Mark* [1977] RPC 1 at p 28 per Lord Fraser of Tully Belton, PC and applied in *Bata Ltd v. Sim Ah Ba & Ors* [2006] 3 CLJ 393; [2006] 6 MLJ 445, 462.

- A [39] Unless the Registrar has gone clearly wrong, his decision ought not to be interfered with: *Banham v. Reddaway* [1927] AC 406, 413 HL. In this regard, I am of the view that the Registrar had not “gone clearly wrong”. Hence, the learned judge had correctly refrained from interfering with the Registrar’s Decision in
B allowing the Opposition with costs.

Conclusion

- C [40] The learned judge’s decision in affirming the Registrar’s decision is justified on the facts and circumstances established in the evidence. The decision of the learned judge does not warrant interference. Appellant’s appeal is dismissed with costs. Decision of the High Court is affirmed.

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